



Proposed Agency Information Collection Activities; Comment Request

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Notice, request for comment.

SUMMARY: The Board of Governors of the Federal Reserve System (Board) invites comment on a proposal to extend for three years, with revision, the reporting, recordkeeping, and disclosure requirements associated with the Truth in Lending Act (TILA), implemented by Regulation Z (FR Z; OMB No. 7100-0199).

DATES: Comments must be submitted on or before **[insert date 60 days after publication in the Federal Register]**.

ADDRESSES: You may submit comments, identified by FR Z, by any of the following methods:

- Agency Website: <https://www.federalreserve.gov/>. Follow the instructions for submitting comments at <https://www.federalreserve.gov/apps/foia/proposedregs.aspx>.
- E-mail: regs.comments@federalreserve.gov. Include the OMB number in the subject line of the message.
- FAX: (202) 452-3819 or (202) 452-3102.
- Mail: Ann E. Misback, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW, Washington, DC 20551.

All public comments are available from the Board's website at <https://www.federalreserve.gov/apps/foia/proposedregs.aspx> as submitted, unless modified for technical reasons or to remove personally identifiable information at the commenter's request. Accordingly, comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper in Room 146, 1709 New York Avenue, NW, Washington, DC 20006, between 9:00 a.m. and 5:00 p.m. on weekdays. For security reasons, the Board requires that visitors make an appointment to inspect comments.

You may do so by calling (202) 452-3684. Upon arrival, visitors will be required to present valid government-issued photo identification and to submit to security screening in order to inspect and photocopy comments.

Additionally, commenters may send a copy of their comments to the Office of Management and Budget (OMB) Desk Officer – Shagufta Ahmed – Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street, NW, Washington, DC 20503, or by fax to (202) 395-6974.

FOR FURTHER INFORMATION CONTACT: Federal Reserve Board Clearance Officer – Nuha Elmaghrabi – Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, DC 20551, (202) 452-3829.

SUPPLEMENTARY INFORMATION: On June 15, 1984, OMB delegated to the Board authority under the PRA to approve and assign OMB control numbers to collections of information conducted or sponsored by the Board. In exercising this delegated authority, the Board is directed to take every reasonable step to solicit comment. In determining whether to approve a collection of information, the Board will consider all comments received from the public and other agencies.

A copy of the Paperwork Reduction Act (PRA) OMB submission, including the reporting form and instructions, supporting statement, and other documentation will be available at <https://www.reginfo.gov/public/do/PRAMain>, if approved. These documents will also be made available on the Board's public website at <https://www.federalreserve.gov/apps/reportforms/review.aspx> or may be requested from the agency clearance officer, whose name appears above.

Request for Comment on Information Collection Proposal

The Board invites public comment on the following information collection, which is being reviewed under authority delegated by the OMB under the PRA. Comments are invited on the following:

- a. Whether the proposed collection of information is necessary for the proper performance of the Board's functions, including whether the information has practical utility;
- b. The accuracy of the Board's estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used;
- c. Ways to enhance the quality, utility, and clarity of the information to be collected;
- d. Ways to minimize the burden of information collection on respondents, including through the use of automated collection techniques or other forms of information technology; and
- e. Estimates of capital or startup costs and costs of operation, maintenance, and purchase of services to provide information.

At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the Board should modify the proposal.

Proposal under OMB Delegated Authority to Extend for Three Years, With Revision, the Following Information Collection:

Report title: Recordkeeping and Disclosure Requirements Associated with Truth in Lending (Regulation Z).¹

Agency form number: FR Z.

OMB control number: 7100-0199.

Frequency: Annually, on occasion.

Respondents: The FR Z panel comprises state member banks with assets of \$10 billion or less that are not affiliated with an insured depository institution with assets over \$10 billion (irrespective of the consolidated assets of any holding company); non-depository affiliates of such state member banks; and non-depository affiliates of bank holding companies that are not affiliated with an insured depository institution with assets over \$10 billion.² However, the Consumer Financial Protection Bureau (Bureau) and the Federal Trade Commission (FTC) also

¹ Truth in Lending Act (TILA) is codified at 15 U.S.C. 1601 *et seq.* Regulation Z is published by the Board at 12 CFR Part 226 and by the Consumer Financial Protection Bureau (Bureau) at 12 CFR part 1026.

² See, e.g., 12 U.S.C. 5515–5516.

have administrative enforcement authority over nondepository institutions for Regulation Z.³

Accordingly, the Bureau allocates to itself half of the estimated burden to non-depository institutions, with the other half allocated to the FTC.⁴

The Board's ability to reduce regulatory burden for small entities under Regulation Z is limited because, as noted, the Dodd-Frank Act transferred rule writing authority for Board-supervised institutions under Regulation Z to the Bureau. Nonetheless, the Board has taken steps to minimize burden on small entities through tailored supervision, including through a risk-focused consumer compliance supervision program and an examination frequency policy that provides for lengthened time between examinations for institutions with a lower risk profile.

The Board allocates to itself all estimated burden to state member banks with assets of \$10 billion or less that are not affiliated with an insured depository institution with assets over \$10 billion.

Estimated number of respondents: Open-end (not home-secured credit): Applications and solicitations, 161; Account opening disclosures, Periodic statements, and Change-in-terms disclosures, 516; Timely settlement of estate debts policies, Timely settlement of estate debts – account information to estate administrator, and Ability to pay policies, 161; Open-End Credit – Home Equity Plans: Application disclosures, Account opening disclosures, Periodic statements, Change-in-terms disclosures, and Notices to restrict credit, 596; All Open-End Credit: Error resolution – credit cards, 161; Closed-End Credit – Non-Mortgage: Closed-end credit disclosures, 741; Closed-End Credit – Mortgage: Interest rate and payment summary and “no-guarantee-to-refinance” statement, 300; and, Loan estimate, Closing disclosure, ARM disclosures, Initial rate adjustment notice, Periodic statements, Periodic statements in bankruptcy (one time), Periodic statements in bankruptcy (ongoing), Post-consummation disclosures for successors in interest (one time), and Post-consummation disclosures for successors in interest

³ See 12 U.S.C. 5514–5516.

⁴ See, e.g., 78 FR 6408, 6481 (January 30, 2013); 78 FR 11280, 11408 (February 15, 2013); 78 FR 79730, 80100 (December 31, 2013).

(ongoing), 757; Open and Closed-End Mortgage: Pay off statements and Mortgage transfer disclosure, 757; Certain Home Mortgage Types: Reverse mortgage disclosures, 4; HOEPA disclosures and HOEPA receipt of certification of counseling for high-cost mortgages, 32; and Appraisals for higher-priced mortgage loans: Review and provide copy of initial appraisal, Investigate and verify requirement for additional appraisal, and Review and provide copy of additional appraisal, 674; Private Education Loans: Private student loan disclosures, 24; and Advertising Rules (all credit types): Advertising rules, 758.

Estimated average hours per response: Open-end (not home-secured credit): Applications and solicitations, 0.0014; Account opening disclosures, 0.003; Periodic statements and Change-in-terms disclosures, 0.017; Timely settlement of estate debts policies, 0.75; Timely settlement of estate debts – account information to estate administrator, 0.003; and Ability to pay policies, 0.75; Open-End Credit – Home Equity Plans: Application disclosures, 0.003; Account opening disclosures, Periodic statements, Change-in-terms disclosures, and Notices to restrict credit, 0.017; All Open-End Credit: Error resolution – credit cards, 0.5; Closed-End Credit – Non-Mortgage: Closed-end credit disclosures, 0.017; Closed-End Credit – Mortgage: Interest rate and payment summary and “no-guarantee-to-refinance” statement, Loan estimate, and Closing disclosure, 0.017; ARM disclosures and Initial rate adjustment notice, 0.003; Periodic statements, 0.017; Periodic statements in bankruptcy (one time), 16.5; Periodic statements in bankruptcy (ongoing), 0.017; Post-consummation disclosures for successors in interest (one time), 16.5; and Post-consummation disclosures for successors in interest (ongoing), 0.17; Open and Closed-End Mortgage: Pay off statements, 0.017; and Mortgage transfer disclosure, 0.003; Certain Home Mortgage Types: Reverse mortgage disclosures, and HOEPA disclosures, 0.017; HOEPA receipt of certification of counseling for high-cost mortgages, 0.003; and Appraisals for higher-priced mortgage loans: Review and provide copy of initial appraisal, Investigate and verify requirement for additional appraisal, and Review and provide copy of additional appraisal,

0.25; Private Education Loans: Private student loan disclosures, 0.003; and Advertising Rules (all credit types): Advertising rules, 0.417.

Estimated annual burden hours: Open-end (not home-secured credit): Applications and solicitations, 89; Account opening disclosures, 853; Periodic statements, 150,343; Change-in-terms disclosures, 12,526; Timely settlement of estate debts policies, 121; Timely settlement of estate debts – account information to estate administrator, 4; and Ability to pay policies, 121; Open-End Credit – Home Equity Plans: Application disclosures, 885; Account opening disclosures, 3,445; Periodic statements, 54,105; Change-in-terms disclosures, 902; and Notices to restrict credit, 730; All Open-End Credit: Error resolution – credit cards, 1,047; Closed-End Credit – Non-Mortgage: Closed-end credit disclosures, 2,305; Closed-End Credit – Mortgage: Interest rate and payment summary and “no-guarantee-to-refinance” statement, 128; Loan estimate, 6,756; Closing disclosure, 4,967; ARM disclosures, 34; Initial rate adjustment notice, 20; Periodic statements, 7,335; Periodic statements in bankruptcy (one time), 12,491; Periodic statements in bankruptcy (ongoing), 77; Post-consummation disclosures for successors in interest (one time), 12,491; and Post-consummation disclosures for successors in interest (ongoing), 129; Open and Closed-End Mortgage: Pay off statements, 373; and Mortgage transfer disclosure, 89; Certain Home Mortgage Types: Reverse mortgage disclosures, 8; HOEPA disclosures, 1; HOEPA receipt of certification of counseling for high-cost mortgages, 0; Appraisals for higher-priced mortgage loans: Review and provide copy of initial appraisal, 4,887; Investigate and verify requirement for additional appraisal, 4,887; and Review and provide copy of additional appraisal, 202; Private Education Loans: Private student loan disclosures, 123; and Advertising Rules (all credit types): Advertising rules, 1,580.

General description of report: The Truth in Lending Act (TILA) and Regulation Z promote the informed use of credit to consumers for personal, family, or household purposes by requiring disclosures about its terms and costs, as well as ensure that consumers are provided with timely information on the nature and costs of the residential real estate settlement process.

Proposed revisions: The Board proposes to revise FR Z to: (1) add burden related to disclosure requirements in rules issued by the Bureau since the Board's last Paperwork Reduction Act (PRA) submission, as well as for one information collection for which the Bureau estimates burden but the Board previously did not; (2) break out and clarify burden estimates that were previously consolidated; and (3) eliminate burden associated with certain requirements because the Bureau accounts for burden for the entire industry, or because the burden is now deemed de minimis or a part of an institution's usual and customary business practices.

Legal authorization and confidentiality: The disclosure, recordkeeping, and other requirements of Regulation Z are authorized by TILA, which directs the Bureau and, for certain lenders, the Board to issue regulations implementing the statute. The obligation to respond is mandatory.

The disclosures, records, policies and procedures required by Regulation Z are not required to be submitted to the Board. To the extent such information is obtained by the Board through the examination process, they may be kept confidential under exemption 8 of the Freedom of Information Act, which protects information contained in or related to an examination of a financial institution.⁵

Consultation outside the agency: The Board consulted with the Bureau regarding the estimated burden of this information collection.

Board of Governors of the Federal Reserve System, April 12, 2021.

Michele Taylor Fennell,

Deputy Associate Secretary of the Board.

⁵ 5 U.S.C. 552(b)(8).

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